

Fitchburg Gas and Electric Light Company
December 20, 2002 Electric Reconciliation Mechanism and Inflation Adjustment Filing
Annual Inflation Adjustment Factor calculation

<u>Series ID</u>	<u>Year</u>	<u>Month End</u>	<u>Value</u>	<u>Cumulative Inflation From Aug 01, 1997</u>
CUUR0000SA0	1997	Jul	160.5	0.0%
CUUR0000SA0	1997	Aug	160.8	0.2%
CUUR0000SA0	1997	Sep	161.2	0.4%
CUUR0000SA0	1997	Oct	161.6	0.7%
CUUR0000SA0	1997	Nov	161.5	0.6%
CUUR0000SA0	1997	Dec	161.3	0.5%
CUUR0000SA0	1998	Jan	161.6	0.7%
CUUR0000SA0	1998	Feb	161.9	0.9%
CUUR0000SA0	1998	Mar	162.2	1.1%
CUUR0000SA0	1998	Apr	162.5	1.2%
CUUR0000SA0	1998	May	162.8	1.4%
CUUR0000SA0	1998	Jun	163.0	1.6%
CUUR0000SA0	1998	Jul	163.2	1.7%
CUUR0000SA0	1998	Aug	163.4	1.8%
CUUR0000SA0	1998	Sep	163.6	1.9%
CUUR0000SA0	1998	Oct	164.0	2.2%
CUUR0000SA0	1998	Nov	164.0	2.2%
CUUR0000SA0	1998	Dec	163.9	2.1%
CUUR0000SA0	1999	Jan	164.3	2.4%
CUUR0000SA0	1999	Feb	164.5	2.5%
CUUR0000SA0	1999	Mar	165.0	2.8%
CUUR0000SA0	1999	Apr	166.2	3.6%
CUUR0000SA0	1999	May	166.2	3.6%
CUUR0000SA0	1999	Jun	166.2	3.6%
CUUR0000SA0	1999	Jul	166.7	3.9%
CUUR0000SA0	1999	Aug	167.1	4.1%
CUUR0000SA0	1999	Sep	167.9	4.6%
CUUR0000SA0	1999	Oct	168.2	4.8%
CUUR0000SA0	1999	Nov	168.3	4.9%
CUUR0000SA0	1999	Dec	168.3	4.9%
CUUR0000SA0	2000	Jan	168.8	5.2%
CUUR0000SA0	2000	Feb	169.8	5.8%
CUUR0000SA0	2000	Mar	171.2	6.7%
CUUR0000SA0	2000	Apr	171.3	6.7%
CUUR0000SA0	2000	May	171.5	6.9%
CUUR0000SA0	2000	Jun	172.4	7.4%
CUUR0000SA0	2000	Jul	172.8	7.7%
CUUR0000SA0	2000	Aug	172.8	7.7%
CUUR0000SA0	2000	Sep	173.7	8.2%
CUUR0000SA0	2000	Oct	174.0	8.4%
CUUR0000SA0	2000	Nov	174.1	8.5%
CUUR0000SA0	2000	Dec	174.0	8.4%
CUUR0000SA0	2001	Jan	175.1	9.1%
CUUR0000SA0	2001	Feb	175.8	9.5%
CUUR0000SA0	2001	Mar	176.2	9.8%
CUUR0000SA0	2001	Apr	176.9	10.2%
CUUR0000SA0	2001	May	177.7	10.7%
CUUR0000SA0	2001	Jun	178.0	10.9%
CUUR0000SA0	2001	Jul	177.5	10.6%
CUUR0000SA0	2001	Aug	177.5	10.6%
CUUR0000SA0	2001	Sep	178.3	11.1%
CUUR0000SA0	2001	Oct	177.7	10.7%
CUUR0000SA0	2001	Nov	177.4	10.5%
CUUR0000SA0	2001	Dec	176.7	10.1%
CUUR0000SA0	2002	Jan	177.1	10.3%
CUUR0000SA0	2002	Feb	177.8	10.8%
CUUR0000SA0	2002	Mar	178.8	11.4%
CUUR0000SA0	2002	Apr	179.8	12.0%
CUUR0000SA0	2002	May	179.8	12.0%
CUUR0000SA0	2002	Jun	179.9	12.1%
CUUR0000SA0	2002	Jul	180.1	12.2%
CUUR0000SA0	2002	Aug	180.7	12.6%
CUUR0000SA0	2002	Sep	181.0	12.8%
CUUR0000SA0	2002	Oct	181.3	13.0% 2.03% =Oct-02/Oct-01 -1
forecast (2.03% / 12)	2002	Nov	181.6	13.2% 0.17%
forecast (2.03% / 12)	2002	Dec	181.9	13.3% 0.17%
forecast (2.03% / 12)	2003	Jan	182.2	13.5% 0.17%
forecast (2.03% / 12)	2003	Feb	182.5	13.7% 0.17%
forecast (2.03% / 12)	2003	Mar	182.8	13.9% 0.17%
forecast (2.03% / 12)	2003	Apr	183.1	14.1% 0.17%
forecast (2.03% / 12)	2003	May	183.5	14.3% 0.17%
forecast (2.03% / 12)	2003	Jun	183.8	14.5% 0.17%

Aug-97 Benchmark Rate (¢/kWh) 10.8845

Benchmark Rate Inflated through Jun-2003 (¢/kWh) 12.4621

15% Discounted Benchmark Rate (¢/kWh) 10.5928

Source: Bureau of Labor Statistics; Consumer Price Index-All Urban Consumers; Series ID: CUUR0000SA0;
Area : U.S. city average; Item: All items; Base Period: 1982-84=100.